

New Raids Linked With Emeryville Rum Gang

Mike Gallo, Alleged 'Big
Shot,' Injected Into Probe
After 'Cutting Plant' Found

The name of Mike Gallo, asserted "~~big shot~~" of Eastbay bootleggers, today was injected into the investigation following the seizure of liquor in the Nebel garage at Emeryville, when an elaborate "cutting plant" at 1401 Liberty street was raided.

The raid, according to Federal Agent L. F. Jester, was "closely linked," with the Emeryville probe.

Jester and Deputy Sheriff Harry Adams, who accompanied him, identified Fred Prop as the operator of the El Cerrito place. Prop was not at home, but his wife told the raiders that her husband was an associate of Gallo and other prominent figures in the Eastbay liquor racket.

WHISKY, ALCOHOL AND WINE SEIZED.

A quantity of whisky, alcohol and wine was seized and in a shed at the rear of the house was found bottling equipment while in the basement were devices for aging liquor. Jester said he would ask a warrant for Prop's arrest and institute a search for him.

Gallo was arrested in his palatial home at 800 Grosvenor place, Piedmont, last December and subsequently was indicted by the federal grand jury in San Francisco. In his home, federal and county agents said, they found dies for printing fake liquor labels and a huge tank of alcohol.

Federal authorities engaged in the Emeryville investigation also were searching for a "mystery man" identified only as "Lewis," whom they believe played an important role in the purchase of liquor cars seized in the Nebel garage.

"LEWIS" NAMED AS PURCHASER OF AUTO.

"Lewis" was named by Gene Moulie, Oakland auto dealer, as the purchaser of an automobile later registered as belonging to "Fred C. Koerber, 412 Ward street, Martinez."

Moulie said the purchaser of the automobile said he was acting for "Fred C. Koerber, 2054 University avenue, Berkeley," who has been identified by investigators as the Berkeley capitalist who owns the Koerber building at that address.

Koerber, a former Berkeley councilman, declared today that he could not give any explanation for the fact that the car was registered in his name.

"I do not know Moulie, or Lewis, or anyone else who has been mentioned in this deal," he said. "I know no one at the Martinez address and never heard of it before."

"The only possible explanation I can see is that the purchaser of the car did not want to have it registered in his own name, had heard of me as many people in Berkeley have, and decided to use my name. But why blame me for that?"

NAPA RAID LINKED WITH EMERYVILLE

But why blame me for that?"

NAPA RAID LINKED WITH MERYVILLE

Also believed linked with the Emeryville probe was the arrest of five men and seizure of the largest illicit distillery found in Napa county since the advent of prohibition.

The still, having a capacity of 1000 gallons of high-proof alcohol, was seized on the O'Hara ranch in Conn valley, 14 miles northeast of Napa, on Saturday after the raiders had disarmed a sentry posted at

(Continued on Page 2, Col. 2.)

(Continued From Page 1.)

the entrance to the ranch. The raiders reported they found 50,000 gallons of mash at the plant, estimated to be worth \$25,000.

The five arrested are: William Harris, Vallejo; John Rose and Manuel Nunes, of Napa, and Joseph Landucci and France Lewis of St. Helena.

Federal agents who participated in the raid were seeking today to determine whether the still was the source of alcohol seized at the Nebel garage. Other possible sources were sought in the Coast Range and Sierra Nevada foothills, investigators indicating that the Emeryville raid had resulted in "leads" to a widespread liquor ring.

Another discussion, somewhat similar, started when the application of Henry Marrion came up for a cabaret at 10705 East Fourteenth street. A report from Police Lieutenant William Woods was read, charging that this place is really under the patronage of Mike Gallo. Woods said that Gallo was "a gentleman of unsavory reputation," and said that "while there is no definite evidence that this is a resort for undesirables," he would "feel justified in recommending against it."

"We must be careful about these cabarets," said Colbourn. "If there is any question about them, they should be denied. They're a source of trouble under any condition."

The council refused the license. Residents in the neighborhood of Twelfth avenue and East Eleventh street appeared in council, in protest against the application of the Electric Smelting & Alloy company for a smelter plant. It was alleged that the plant will "manufacture nothing much but smoke." The matter was referred to Colbourn for investigation.

Alleged Rum Ring Leader Surrenders

SAN FRANCISCO, Oct. 17—Mike Gallo of Oakland, claimed by Federal Authorities to be one of the "master minds" behind a gigantic rum conspiracy involving the diversion of large quantities of high grade wine to the bay district, surrendered today to U. S. Marshal Fred Esola and was released on \$2,500 bail.

Gallo's arrest followed the release on bail of Sam Sebastini, reported to be a millionaire Sonoma county winery operator, who is linked in what authorities say is one of the biggest wine diversion conspiracies on record.

Gallo and Sebastini are two of six men declared to be involved in the diversion of large quantities of wine from the Woodbridge winery in Lodi county to Oakland and San Francisco.

Co-Defendants to Become Witnesses.

SAN FRANCISCO, Nov. 10.—Mike Gallo of Oakland, accused of ~~violating the prohibition~~ laws in connection with the alleged flooding of the Bay Cities with wine, today lost two of his co-defendants, both of whom likely will be witnesses against him. Sam Sebastiani, wine magnate of Sonoma county, and Enrico Castagnasso, both of whom testified before the federal grand jury, had their cases dismissed by U. S. Judge A. F. St. Sure on motion of their counsel, J. Fred McDonald. The motion was based upon the fact that they had testified voluntarily, and was not opposed by the U. S. attorney.

MRS. GALLO IS GIVEN DIVORCE

1930

Mike Gallo, proprietor of a malt supply house and prominent man-about-town, was today divorced from Mrs. Celia Gallo, of 800 Grosvenor street by Superior Judge James G. Quinn. The wife was granted custody of 9-year-old Gloria, \$50 per month for the child's support, and a property settlement gives Mrs. Gallo \$25,000 in cash and property.

Mrs. Gallo charged cruelty, claiming that her husband struck her, "called her names," and refused to recognize her as his wife for a long period of time. She also claimed that he was interested in other women.

Gallo filed a cross-complaint accusing his wife of caring only for money, calling him names, and going through his pockets for money. But Gallo failed to contest the suit when it was called by Judge Quinn and the divorce was granted to Mrs. Gallo on her testi-

mony. The couple married August 17, 1909, and separated last November.

HUSBAND CRUEL CHARGES WIFE

1/9/30

Claiming that he struck her, threatened to kill her with a knife, told her another woman "had taken her place" and that he "was tired of her," Mrs. Celia Gallo, wife of Mike Gallo, proprietor of the San Pablo Bottle, Malt and Syrup Supply Co., today filed suit against him in the Alameda county superior courts.

She asks \$500 per month alimony for the support of herself and a daughter, Gloria, 8, from Gallo's reputed income of \$1000 per month, and lists the community property as being worth \$100,000.

Gallo recently won wide publicity in the bay district when he was accused by federal agents of being a member of a huge wine-selling ring.

Mrs. Gallo and Gallo were married August 17, 1909, and separated November 6, 1929.

Besides the daughter, there is a son, Mario, whose age Mrs. Gallo gives as 19, but who recently gave his age as 21 when he filed notice of intention to wed Miss Adeline Botelho, 3824 Ardley avenue. The two have married.

DRIES TRAIL GALLO BOOZE GANG AIDES

TRIB C — DEC 20 1931

Source of Sherry Stock Also
Sought With Arrest of
Alleged 'Big Shot' Dealer

Picked Men of Prohibition Force Follow Leads Dis- closed by Papers Seized

"Unreachables" — pride of the prohibition department—last night were hot on the trail of more East-bay liquor plants following the arrest of Mike Gallo, asserted "big shot" of bay region bootleggers, who was taken into custody last night in his palatial Trestle Glen home.

The special prohibition agents, picked for their unswerving adherence to duty, said they expected to arrest several of Gallo's suspected confederates and might seize thousands of gallons of liquor, stored up for sale to the bay region Christmas and New Year's "trade."

CHECKING TO FIND SOURCE OF SHERRY.

In addition, they were checking up on the source of many barrels of fine sherry, found in an Oakland plant allegedly belonging to Gallo, which bear the imprint of a government bonded warehouse and apparently were withdrawn, either by permit or otherwise. Government agents said they had started an intensive investigation to learn how the sherry came to be released from the warehouse, if it was released, or how it could have been taken otherwise with no complaint appearing on the records.

Gallo was arraigned yesterday on a charge of conspiracy to violate the prohibition laws before United States Commissioner Frank Nebeker, who released him on \$2500 bail. Arraignment was set for 2 o'clock Monday afternoon.

He was arrested Friday night at his home at 800 Grosvenor place, by Harry Piper, inspector in the office of District Attorney Earl Warren, and Frank Wegner, agent of the special intelligence unit, U. S. prohibition department, acting under Captain R. E. Beman.

In the house, raiders alleged, papers were found linking Gallo to a Los Angeles liquor conspiracy case in which he also faces charges. Other data was found which led the raiders to an Oakland plant, the exact location of which was kept secret, where the sherry wine and other liquors were found, according to authorities, and a complete set of dies for the printing of fake liquor labels.

WINE 'DOCTORED' IN OAKLAND PLANT

fake liquor labels.

WINE 'DOCTORED' IN OAKLAND PLANT

Prohibition men said the sherry was being "doctored" in the Oakland plant for sale to gullible customers. The wine was diluted with distilled water, they said, and then "built up" again to normal intoxicating strength by mixing in bootleg alcohol.

Gallo's arrest, according to accounts by federal authorities, resulted from the seizure of a truck loaded with wine and alcohol, but at the time not occupied by anyone, near El Cerrito three weeks ago. The truck, it was stated, was recognized as one that had been driven previously by Gallo at a time when, according to the authorities, he was arrested and pleaded guilty to transportation of liquor under an assumed name.

23RD STREET BOOZE DEPOT RAIDED, 2 HELD

Evidence Indicates Oakland Source of Supply for Liquor-Running Trade

A coast-wide liquor ring was believed smashed and two men were placed under arrest last night in a raid upon the alleged "operations base" of the gang, a well-equipped "liquor depot" at 771 Twenty-third street.

The raid, conducted by deputy sheriffs from the offices of Sheriff M. B. Driver and District Attorney Earl Warren, and federal operatives, was said to be the aftermath of the arrest here a week ago of Mike Gallo, asserted "wine baron."

Evidence was found indicating that Oakland was the source of supply for liquor dealers between here and Los Angeles. Three automobiles believed to have been used in the liquor-running trade were seized, together with 11 50-gallon kegs of wine and 88 cases of "fancy bottled goods."

Equipment sufficient to turn the place into a well-organized bottling works was also confiscated.

Peter Rojo, 26, 61614 West Twenty-sixth street, Los Angeles, and Joe Lucius, 24, 1428 Fourteenth street, were arrested and charged with possession of liquor and conspiracy to violate the national liquor law. They were released on \$2500 bail pending their appearance before U. S. Commissioner Frank O. Nebecker.

Special Investigator Oscar Jahnson of District Attorney Warren's office, worked with Deputy Sheriff C. E. O'Brien and Frank Wagner, special intelligence officer of the federal prohibition force here, in the raid.

The officers said this was only the first of a series of raids planned to smash extensive liquor distributing operations here.

Alleged Oakland Wine King Indicted

Mike Gallo, asserted Oakland "wine king," was indicted by a federal grand jury in San Francisco late yesterday on charges of conspiracy to violate the Volstead act.

Others indicted at the same time were Frank Pittalo, J. M. Signa, Joe Lucius, Peter Rojo, Mike Hugo, Joseph Bristoll and James J. Herce.

MIKE GALLO ARRESTED IN BOOTLEG RAID

TRIB C DEC 19 1931

Piedmont Man Jailed as
Federal, County Officers
Search Palatial Home

Charge Follows Seizure of
Truckload of Wine and
Alcohol in El Cerrito

Mike Gallo, asserted "big shot" of the Eastbay bootleggers, was arrested early today at his palatial home, 800 Grosvenor place, Piedmont, and was held at the county jail under the terms of a information sworn out by State's Commissioner Frank Nebeker.

The arrest and raid in Gallo's mansion was conducted by Oscar Jahsen, operative of District Attorney Earl Warren, and Frank Wegner, agent of the special intelligence unit, prohibition enforcement, acting under Captain R. E. Beman.

In the house, according to the raiders, a set of dies for the printing of fake liquor labels was found and seized, and also a huge tank full of alcohol.

Gallo, according to the authorities, has been a "wholesaler" of alcohol and liquors in the Eastbay for at least six years. Formerly he was known as a San Francisco politician.

HELD ON S. F. AND L. A. CHARGES

He was held for San Francisco federal authorities, and also on a Los Angeles complaint charging him with having been involved in a rum-running conspiracy in the southern city.

Gallo's arrest, according to guarded information given out by federal authorities, resulted from the seizure of a truck, loaded with wine and alcohol, in El Cerrito several weeks ago.

The truck, it was stated, was recognized as one which had been driven previously by Gallo at a time when, according to the raiders, he was arrested and pleaded guilty to transportation of liquor under an assumed name.

Federal authorities made an investigation, as an upshot of which they went to District Attorney Warren and secured the aid of his forces and those of Sheriff M. B. Driver in completing the probe and making the raid.

GALLO SAID TO HAVE LED LIQUOR CREW

The Los Angeles complaint dry

making the raid.

GALLO SAID TO HAVE LED LIQUOR CREW

The Los Angeles complaint, dry agents said, resulted from the recent transportation into Los Angeles of a truckload of liquor. The truck, it was stated, was driven by a crew of four men, who were led by Gallo, driving a "pilot car." He is alleged to have led the truck and its crew to a garage. He escaped when raiders swooped down on the truck, authorities declared.

Gallo is known locally as the former operator of a roadhouse on the San Leandro-Hayward line.

The arrest was surrounded by great secrecy, but it was learned certain papers, believed to contain data revealing the operations of the bootleg ring, were seized in Gallo's home.

The authorities are trying to connect Gallo with the "radio-bootleg" ring which directed operations of rum-runners off the coast by wireless. In addition, authorities are seeking to link Gallo with a state-wide gang of hijackers, broken up a month ago with the arrest of Joe Teresi.

MIKE GALLO TO BE SENT TO L. A.

TRIB B DEC 27 1931

A "removal complaint" that will transfer Mike Gallo, alleged "big shot" of bay district bootleggers who was arrested a week ago in his Trestle Glen home, to Los Angeles for trial was issued in San Francisco yesterday by United States Commissioner Ernest Williams.

The specific charge against Gallo is one of conspiracy involving the delivery of 305 gallons of alcohol to a place at 1800 South Fernando road, Glendale. Five other men, all under arrest in Los Angeles, are jointly charged with him.

Gallo was not present in Williams' court when the complaint was issued, having been released on \$2500 bail, following his arrest. His attorney advised Williams that he would surrender later today.

Meanwhile, federal investigators were continuing their probe of Gallo's alleged activities in the illicit liquor traffic here. When Gallo was arrested at his home at 800 Grosvenor place by Frank Wagner, special federal agent, and Inspector Harry Piper of District Attorney Earl Warren's staff, they reported they found papers linking him with the Los Angeles case.

Other documents led to a raid on an alleged "cutting plant" where a large quantity of sherry wine was found as well as dies for printing fake liquor labels.

Liquor Plot Charge Dropped

Charges of conspiracy to violate the prohibition laws were dismissed in federal court in San Francisco today against Mike Gallo, asserted "big shot" of Eastbay bootleggers.

He with three other Oakland defendants and two from Glendale were permitted to plead guilty to charges of transporting liquor.

Gallo was sentenced by Federal Judge A. F. St. Sure to three months in the Alameda county jail and to pay a fine of \$1500.

Sentences of 30 days each were given Frank Petallo, who was likewise accused with Gallo of conspiracy, Joseph Driscoll, James Hershey, all of Oakland, Joseph Lucius and Peter Rojo of Glendale.

GALLO LIQUOR LICENSE IS UNDER FIRE

TRIB D JAN 29 1934

Attack on Granting of Rum
Permit Made Following
3 A. M. Raid on Cabaret

Warren Says Permit Obtained
By Subterfuge in Using
Son's Name on Application

Mike Gallo, ex-convict, alleged racketeer and operator of a cabaret at 10701 East Fourteenth Street, obtained a state beer and wine license through subterfuge, using the name of his son, Mario, as a blind, police charged today.

The asserted trick by which Gallo obtained his license was revealed following a police raid on his cabaret early Sunday morning, in which Mario Gallo was arrested for violating the 2 a. m. cabaret closing ordinance.

The State Board of Equalization issued a license to Mario Gallo, police asserted, despite the recommendation of James T. Drew, former police chief, that it be denied. Drew's recommendation, police said, was based on information furnished by District Attorney Earl Warren and Police Captain Alex Trotter.

GRANTING OF PERMIT SCORED BY WARREN

"No liquor license should ever have been granted to Mario Gallo," Warren declared today. "It is well known that although Mario is the nominal operator, Mike is really running the place."

Drew's letter recommending against granting of the Gallo license, sent to the board December 13 last, set forth the relationship of Mario and Mike, and asserted that the father has "a long criminal record," and that he is known to be conducting a cabaret at the East Fourteenth Street address, where the son sought the license.

Police Chief Wallman announced today that he will ask the City Council to revoke Gallo's cabaret license, and issued a warning that violation of the city's curfew ordinances on liquor and dancing will not be tolerated.

"All cabarets have been warned that they must have their patrons out and their places closed by 2 a. m.," said Wallman. "Gallo has been warned several times about this. Sale of drinks must stop at 1 a. m."

CABARETS TO FACE LICENSE REVOCATIONS

"When we find cabarets violating

1 a. m.

CABARETS TO FACE LICENSE REVOCATIONS

"When we find cabarets violating the closing ordinance, we are going to recommend revocation of their licenses. Where we find liquor being sold in violation of the City Ordinance prohibiting such sale between 1 and 6 a. m., we are going to ask the Equalization Board to revoke the liquor license. Where restaurants are found selling liquor in off hours, we are also going to seek revocation of the restaurant's license."

The raid on Gallo's place was made at 3:10 a. m. Sunday. Raiders said they did not see any sale of liquor, but did see empty whisky glasses on tables. There were 37 patrons in the place at the time, police said.

Mario Gallo appeared before Police Judge Edward J. Tyrrell today, pleaded not guilty, and jury trial was set for February 13.

The elder Gallo, one-time asserted "big shot" of Eastbay bootlegger, has served time in San Quentin prison for grand larceny on conviction as a bunco artist, and has been "in trouble" on numerous other occasions, according to records furnished to District Attorney Warren by the state bureau of criminal identification.

RECORD IS CITED BY DISTRICT ATTORNEY

The records on Gallo are as follows:

Arrested June 24, 1912, in San Francisco under the name of Joe Marro for vagrancy and bunco game, disposition not recorded; sentenced February 23, 1923, to San Quentin from San Francisco for grand larceny, and served until discharged September 25, 1928; indicted in San Francisco by the Federal grand jury October 9, 1928, for liquor conspiracy, disposition not recorded.

Arrested January 16, 1930, in Oakland for use of vulgar language, forfeited \$20 bail; arrested the next day by the same officer for three traffic violations, forfeited \$6 bail; arrested December 19, 1931, in a sensational raid on his palatial home at 800 Grosvenor Place, Piedmont, and charged with conspiracy to violate the prohibition laws, charges dismissed a year later; arrested September 18, 1932, in San Mateo County for violation of the prohibition act, served three months in the county jail and paid a \$1500 fine.

Gallo Asks City to Delay Action While Appeal Pends

TRIB D FEB 1 - 1934

Hearing Before the State
Board of Equalization on
Revocation of His License

Mike Gallo, proprietor of a cabaret at 18701 East Fourteenth Street, will ask City Manager John F. Hassler and the City Council to withhold action on the police demand that his cabaret license be revoked until after he obtains a hearing before the State Board of Equalization in defense of his beer and wine license.

This was announced today by Gallo's attorney, Leo Sullivan, who accused police of "going out of their way" in efforts to force the cabaret owner out of business.

Meanwhile Police Captain Alex Trotter, who ordered a police raid early last Sunday morning on the cabaret, which resulted in the arrest of Gallo's son, Mario, nominal operator of the place, for violating the closing ordinance, and police complaints to Hassler and the Equalization Board, denied that he is "persecuting" the Gallos.

WARNED BEFORE RAID

"I acted because Gallo is a persistent law violator," declared Trotter. "I told him before our raid that it was apparent he had no intention of obeying the law, and in view of his previous attitude, he would be better off by getting out of business in Alameda County entirely, because he would never be permitted to get away with law violation."

"We warned Gallo repeatedly concerning his refusal to close his cabaret to dancing at the 1 a. m. limit set by City Ordinance. He was called to the station and warned, and men were sent out to his place to make him understand we would not tolerate his activities outside the law. He told me he knew he couldn't get a cabaret and liquor license in his own name, and that is why he applied in his son's name."

The elder Gallo, according to police, is an ex-convict and was formerly a "big shot" among East-bay bootleggers.

VIOLATION TECHNICAL

"Gallo's violation of the law, if

bay bootleggers.

VIOLATION TECHNICAL

"Gallo's violation of the law, if any, was so slight that it looks seriously as if police were going out of their way to harass him," declared Sullivan. "There was no evidence of liquor selling after hours, or any other violation. Just a technical violation of the closing ordinance. Gallo employs 15 persons in his cabaret, and keeps a respectable place. What if he did serve time for a felony many years ago? Is that any reason why he should be hounded when he's going straight?"

Meanwhile Joseph Soares, chief enforcement officer for the Eastbay district, has completed his investigation of Gallo and four other Oakland liquor licensees against whom police have complained and forwarded his reports to Sacramento. According to the procedure provided by law, those complained against are to be notified and ordered to attend a hearing by the board to show cause why their licenses should not be revoked.

In the Gallo case, Police Chief Bodie A. Wallman, in addition to asking Hassler to bring about revocation of the cabaret license, has made formal demand upon the Equalization Board to revoke Gallo's beer and wine license, which was issued in the name of his son, Mario.

GALLO RAID TO BRING GRAND JURY PROBE

TRIB D JAN 30 1934

Investigation of Permits
Issued in Face of Police
Objections Is Promised

State Board Also Acts to
Check on Liquor Places
Opposed by Local Officials

Grand jury investigation of the Eastbay liquor control situation was promised today.

The probe was precipitated by a police raid on a cabaret at 10701 East Fourteenth Street, operated by Mike Gallo and his son, Mario, and the arrest of the latter for failing to observe a 2 a. m. closing ordinance.

As another result of the raid, the State Board of Equalization today launched an investigation of the cabaret and of several other places in the Eastbay where, during the post-repeal rush, liquor licenses were granted despite police recommendations that permits be refused.

"Situations like the Gallo case are giving the grand jury much concern," declared Joseph Laney, grand jury foreman. "We are watching carefully, and before the end of the term of this present jury we hope to have a report and recommendations, if not more definite action."

PROBE ORDERED OF PROTESTS IGNORED

Elwood Squires, assistant secretary of the Equalization Board, today instructed Joseph Soares, chief enforcement officer for the Eastbay district, to investigate immediately all cases where police have made official complaint that persons having criminal records have obtained liquor licenses.

The Gallo license and those of three other Oaklanders were opposed by police on the grounds that the applicants had police records for bootlegging and other crimes, or were relatives of bootleggers who were using their name as "blinds." Others holding permits opposed by police are Louise Agrella, 4325 East Fourteenth street; J. P. Summer, 828 Broadway, and Jose Pitta, 1610 Seventh street.

Squires instructed Soares to investigate all these cases at once and report to Sacramento headquarters.

LOCAL AUTHORITIES
SLOW IN REPLYING

report to Sacramento headquarters.

LOCAL AUTHORITIES SLOW IN REPLYING

"If Soares' reports back up the statements of Eastbay authorities, we will hold hearings and revoke licenses," Squires declared. "During the post-repeal rush, with thousands of liquor license applications pouring into our offices every day, many cases did not receive all the attention they deserved. Furthermore, in many cases local authorities did not make their recommendations to the board within the five-day limit we allowed, with the result that some licenses were granted that are now giving trouble.

"When license applications for December, 1933, were distributed, the 1934 license applications were attached. Most applicants filled out and sent in both at the same time, and in cases where the December permit was granted the 1934 license followed automatically."

In view of this, Squires said, it now appears no license can be revoked without holding a hearing before the Equalization Board. Such hearings will be held, however, in all cases where a licensee's right to operate shall be seriously challenged.

Action with a view to revocation of the Gallo cabaret license was

(Continued on Page 2, Col. 3.)

(Continued From Page 1.)

taken today by Police Chief Bodie A. Wallman, who filed with City Manager John F. Hassler a report on the raid and a recommendation that the City Council be asked to revoke the permit.

Unless police recommendations regarding the fitness of liquor license applicants are followed, local authorities are powerless to handle numerous situations which may arise, according to District Attorney Warren.

"The police know better than any other body the character of liquor license holders," declared Warren. "The police have no power in themselves, and control will be defeated unless the equalization board follows police recommendations."

Laney declared that, even before prohibition, criminals were never permitted to enter the liquor business, and that they should not be allowed to do so now.

INVESTIGATION SHOULD BE BY LOCAL POLICE

"Investigation of liquor license applicants should be made by local police before the license is granted," declared Laney. "The grand jury feels that the sale of liquor should not be so restricted as to cause exorbitant prices or excessive profit. But the grand jury feels that the recommendation of local authorities should be sought, and acted upon, concerning license applicants before granting the license. State authorities are not in a position to know as much about individual applicants as the local authorities."

Revelation of Mike Gallo's asserted use of his son's name to obtain a beer and wine permit came when police raided the cabaret early Sunday morning and arrested Mario on charges of violating the 2 a. m. closing ordinance. Mario pleaded not guilty yesterday before Police Judge Edward J. Tyrrell, and will go on trial February 13. He is at liberty on \$100 bail.

Following the raid Police Chief Bodie A. Wallman issued a warning that he will seek revocation of licenses for all places violating Oakland's liquor and dancing curfew ordinance.

POLICE ACT TO CLOSE UP GALLO PLACE

TRIB D JAN 31 1934
Chief Asks State to Revoke
Liquor Permit, Urges City
Annul Cabaret License

Challenged Licenses Must 'Stand Trial,' Equaliza- tion Board Announces

The first formal demand for revocation of a State liquor license was recorded today when Chief of Police B. A. Wallman requested the State Board of Equalization to take up the "on sale" permit of Mario Gallo, operator of "The Rendezvous," East Oakland cabaret raided by police early Sunday morning.

Wallman addressed a letter to Joseph Soares, in charge of Alameda and Contra Costa County liquor law enforcement for the board, asking revocation of the license on the grounds that Gallo's father, Mike Gallo, who has a long criminal record, was the real owner of the cabaret.

At the same time the chief sent a similar request to City Manager John F. Hassler urging him to act through the City Council to cancel a cabaret dancing license issued to "The Rendezvous" at 10701 East Fourteenth Street.

MUST STAND TRIAL BEFORE BOARD.

This action came as the equalization board announced at Sacramento that liquor licensees whose operations come under fire must "stand trial" before the board at such time as investigations are completed, to show cause why they should not lose their licenses.

Coincident with Wallman's request, Soares' operatives, E. M. Bergsten and J. G. Shields, assigned to investigate the Gallo resort, submitted their report.

They informed Soares that Mike Gallo insists that the cabaret is his son's business, and he has nothing but a "fatherly interest" in its operation. Opposed to this claim, however, the agents handed Soares a business card for "The Rendezvous" in which Mike Gallo's name is printed as proprietor, and his son's as manager.

Gallo charged in his conversation with the agents, they reported, that he had been "persecuted" by Captain Alex Trotter of the Eastern Police Station, and that Trotter had ordered him to "get out of the city and county" or be run out.

GALLO TO FIGHT FOR CABARET LICENSE.

The safe man in a later conversa-

MUST STAND TRIAL BEFORE BOARD.

This action came as the equalization board announced at Sacramento that liquor licensees whose operations come under fire must "stand trial" before the board at such time as investigations are completed, to show cause why they should not lose their licenses.

Coincident with Wallman's request, Soares' operatives, E. M. Bergsten and J. G. Shields, assigned to investigate the Gallo resort, submitted their report.

They informed Soares that Mike Gallo insists that the cabaret is his son's business, and he has nothing but a "fatherly interest" in its operation. Opposed to this claim, however, the agents handed Soares a business card for "The Rendezvous" in which Mike Gallo's name is printed as proprietor, and his son's as manager.

Gallo charged in his conversation with the agents, they reported, that he had been "persecuted" by Captain Alex Trotter of the Eastern Police Station, and that Trotter had ordered him to "get out of the city and county" or be run out.

GALLO TO FIGHT FOR CABARET LICENSE.

The cafe man in a later conversation refused to elaborate on this charge, but said he would appear before the city council and fight to retain the cabaret license.

"At that time, I'll tell about everything connected with this deal," Gallo said.

The police raid and arrest of his son Sunday morning was a "frame-up," Gallo further charged in his statement to the officers, they reported to Soares.

The cabaret was found to be "clean and well equipped," and in addition to the Gallos, 16 persons work there, the agents stated. Gallo claimed he had invested \$9000 to equip the resort, and that the property cost \$24,000.

Other agents for Soares made reports concerning three places whose licenses to sell liquor Wallman has also urged be revoked. The licenses are: J. P. Summer, 828 Broadway; Jose Pitta, 1610 Seventh Street, and Mrs. Louise Agrella, 4325 East Fourteenth Street.

The report on the Agrella resort states "in our opinion, it is a clean place and the owners and help seem to be trying to live up to the law."

GALLO PLANS FIGHT TO KEEP RUM LICENSE

TRIB B FEB 4 - 1934

Suspended Restaurant Permit
To Be Center of Battle in
Hearing at Sacramento

A "fight to the finish" was promised last night by Mike Gallo, reputed proprietor of "The Rendezvous," cabaret at 10701 East Fourteenth Street, to protect the liquor license held by his son, Mario, which was ordered suspended by Fred E. Stewart, Oakland member of the State Board of Equalization.

The Gallo license is one of four held by Oakland resort owners which are suspended by Stewart's order, with permanent revocation threatened.

And Police Chief Bodie A. Wallman, who made the demand on the board for action against Gallo, announced that he and his investigating officers are prepared to present "a perfect case" against Gallo and the others when the board holds hearings in Sacramento. Wallman, in the Gallo case, charges that Gallo is the real operator of the cabaret, but uses his son as a "blind" because his own criminal record mitigates against him.

THREATENS SUIT

"I don't see how they do that," said Gallo, when informed of Stewart's order. "I have not violated any law or rule of the State Board of Equalization. I shall continue just as usual until I am officially notified of the suspension. Then I shall go before the board in Sacramento and make a fight to the finish. They have no right to take away my license without cause. If they do I'll sue for damages."

Wallman said that, although he had not yet been officially notified of Stewart's action, he is prepared to present all the evidence gathered in the Gallo case and those of the other resort owners against whom the board plans action. The others are Mrs. Louise Agrella, 4325 East Fourteenth Street; J. P. Summer, 828 Broadway; and Jose Pitta, 1610 Seventh Street.

SON IS ARRESTED

SON IS ARRESTED

Wallman's demand that the Equalization Board act against Gallo followed a police raid on the cabaret early last Sunday morning, causing the arrest of Mario Gallo for violating the 2 a. m. closing ordinance. Young Gallo will be tried on this charge in police court on February 13. Meanwhile Wallman has also filed formal demand that the City Council revoke the Gallo cabaret license.

When the formal suspension orders are served on the resort operators, they will have ten days in which to appear before the board and show cause why their licenses should not be permanently revoked.

In all the Oakland cases now being acted upon, negative recommendations were made by police before the licenses were issued, but were overlooked due to confusion in the board's offices during the post-repeal rush of license applicants.

LICENSE WAS OPPOSED

Police opposed the Gallo license on information furnished by District Attorney Earl Warren and Police Captain Alex Trotter that the elder Gallo is an ex-convict and has a long record as a "big shot" among Eastbay bootleggers, and that use of his son's name is a subterfuge.

The raid on the cabaret last Sunday, Trotter said, came after Gallo had been warned repeatedly to obey the city ordinances.

Police and Warren also opposed Mrs. Agrella's license on charges that she was acting as a "blind" for her husband and brother-in-law, both of whom, according to Warren, were known bootleggers and have police records. Police opposition to Summer and Pitta is based on their asserted records as bootleggers.

GALLO, AND 3 LOSE LIQUOR SALE LICENSE

TRIB C FEB 3 - 1934

State Board Suspends Permits Pending Hearing on Permanent Revocations

Son of Former 'Big Shot' to Face Trial for Violation Of Closing Ordinance

Suspension of the liquor licenses of Mario Gallo and three other Oakland resort proprietors, which have been under attack by District Attorney Earl Warren and police, was ordered by Fred E. Stewart, Oakland member of the State Board of Equalization.

The suspensions, Stewart said, are in accordance with the recommendations of Warren and police, who have charged that Gallo is merely a "blind" for his father, Mike Gallo, ex-convict and police character, and that the other license holders involved either were violators of the former prohibition laws or are operating for relatives having bad records.

The suspensions are to be followed by "trials" before the Equalization Board, at which the license holders must show cause why their licenses should not be permanently revoked, Stewart declared.

TWO OTHERS ALSO TO LOSE LICENSES

The places to be acted against, according to Stewart, are Gallo's "The Rendezvous" cabaret, 10701

East Fourteenth Street, assertedly operated by Mike Gallo, alleged former "big shot" among Eastbay bootleggers; the resort of Mrs. Louise Agrella, 4325 East Fourteenth Street, and the beer and wine parlors of J. P. Sumner, 828 Broadway, and Jose Pitta, 1610 Seventh Street.

This action, Stewart said, is in fulfillment of a pledge made by the board that it will be guided to a large degree by the recommendations of local authorities concerning the fitness of applicants for liquor licenses.

In the four Oakland cases, negative recommendations were made by police, but despite this fact the licenses were issued, because of confusion in the Equalization Board's offices during the post-repeal rush of applicants.

An officer of the board will serve notices upon the four operators, Stewart said, notifying them of the suspension of their licenses and summoning them to hearings before the board in Sacramento within ten days, to show cause why their licenses should not be permanently revoked.

WARREN AND POLICE OPPOSED LICENSE

manently revoked.

WARREN AND POLICE OPPOSED LICENSE

Police and Warren also opposed the Agrella license, on the grounds that Mrs. Agrella was acting as a "blind" for her husband and brother-in-law, both of whom, according to Warren, have been bootleggers and have police records. Police opposition to Summer and Pitta was based on their asserted records as violators of the former state and national prohibition laws.

The Oakland situation aroused the interest of the Alameda County grand jury, and Foreman Joseph Laney declared that "situations like the Gallo case are giving us much concern." He promised a grand jury investigation, with the view of bringing in a report and recommendation regarding such liquor sellers, "if not more definite action."

Mario Gallo is scheduled to go to trial February 13 on the closing ordinance violation. Meanwhile Police Chief Bodie A. Wallman has demanded, through City Manager John F. Hassler, that the City Council revoke Gallo's cabaret license, and has asked the Equalization Board to revoke his liquor license.

4 OFFICERS TESTIFY AT GALLO TRIAL

TRIB D FEB 13 1934

Policemen Declare Place Was
Open and Operating at
3:10 A. M.; Tell Warnings

Four Oakland policemen testified against Mario Gallo today in his police court trial on a charge of operating his cabaret at 10701 East Fourteenth Street after 2 a. m. in defiance of city regulations.

Gallo, whose State liquor license was suspended earlier this month after police charged that the real operator of the resort was his father, Mike Gallo, former convict, was defended by Attorney Leo Sullivan, who cross-examined the witnesses.

Explaining that he was not prepared at present to offer a defense to the charge, Sullivan won a continuance until next Friday morning after Joe Murphy, prosecuting attorney, closed his case. Sullivan said he would offer testimony at the resumption of the hearing to combat the charge.

OPERATING AT 3:10 A. M.

Patrolman M. H. Longnecker, first called to the stand before Judge Edward J. Tyrrell, testified that he entered the Gallo resort at 3:10 a. m. January 28, with Patrolmen C. A. Hatch, R. G. Pierce and George Long, and that about 35 persons were eating and drinking.

Questioned by Sullivan, he said he was not positive whether the orchestra was playing, but explained that the musicians were there. He said he had seen no food or drinks served during the raid, at which Gallo was arrested, but that there was food and liquor on the tables.

REPEATEDLY WARNED

Hatch, Pierce and Long gave similar testimony. None had seen food or liquor served during their presence in the resort, they related. Repeated warnings had been given Gallo during January concerning his violation of the 2 a. m. closing time, all the officers declared.

Longnecker said he had visited the place 10 days before the raid with Sergeant H. E. Sherbourne and warned Gallo to close at 2 a. m. Hatch said he warned Gallo twice, Pierce said he had issued four warnings, and Long testified to one warning.

MARIO GALLO FIGHTS CITY ARREST CASE

TRIB FEB 16 1934
Cabaret Proprietor to Oppose Charge of Remaining Open After Closing Hours

Mario Gallo, nominal operator of a cabaret at 10701 East Fourteenth Street, which police assert is really run by his father, Mike Gallo, ex-convict, will fight police charges that he violated the city closing ordinance.

Local authorities declared that young Gallo's determination to fight, announced by his attorney, Leo Sullivan, is really a move on the part of Mike Gallo to protect his cabaret and keep it in operation.

DELAY IS SOUGHT

Gallo's warlike attitude was disclosed when Sullivan sought postponement of trial in the court of Police Judge Edward J. Tyrrell today. Postponement was granted to February 23.

"We'll have twelve witnesses in court on that date," Sullivan declared.

Attention of local authorities and the State Board of Equalization was centered on Gallo's place as the result of a police raid at 3:10 o'clock on a Sunday morning and the arrest of Mario Gallo on charges of violating the 2 a. m. closing ordinance.

USED AS "BLIND"

Police Captain Alex Trotter declared that Mario is being used as a "blind" by his father, a man of known criminal record, to obtain a liquor license and run the cabaret.

On complaint of police, the Equalization Board has since suspended Gallo's license, and a hearing on the suspension is pending.

Awaiting the outcome of the police court trial is a request from Police Chief B. A. Wallman to the City Council to have the Gallo cabaret license revoked. Captain Trotter reported that, in spite of repeated warnings, Gallo has been consistently violating the closing ordinance at the cabaret.

Sullivan sought the delay today on the plea that he is engaged in another case.